



**BNY MELLON**

The Bank of New York Mellon

February 12, 2019

**FINAL NOTICE TO HOLDERS OF**  
**PUERTO RICO SALES TAX FINANCING CORPORATION**  
**SALES TAX REVENUE BONDS**  
**SENIOR SERIES 2007A, 2007B, 2007C, 2008A, 2009C, 2011C, 2011D**  
**FIRST SUBORDINATE SERIES 2009A, 2009B,**  
**2010A, 2010C, 2010D, 2010E, 2011A, 2011B**

**CUSIP NOS.<sup>1</sup>**

|           |           |           |           |           |           |           |           |
|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 74529JAF2 | 74529JBF1 | 74529JEM3 | 74529JFV2 | 74529JHN8 | 74529JKD6 | 74529JLJ2 | 74529JMJ1 |
| 74529JAG0 | 74529JBG9 | 74529JEN1 | 74529JFW0 | 74529JHP3 | 74529JKE4 | 74529JLK9 | 74529JMK8 |
| 74529JAH8 | 74529JBH7 | 74529JEP6 | 74529JGU3 | 74529JHR9 | 74529JKF1 | 74529JLL7 | 74529JML6 |
| 74529JAJ4 | 74529JB3  | 74529JEQ4 | 74529JND3 | 74529JHS7 | 74529JKG9 | 74529JLM5 | 74529JMM4 |
| 74529JAK1 | 74529JBK0 | 74529JER2 | 74529JGW9 | 74529JHT5 | 74529JKH7 | 74529JLN3 | 74529JMN2 |
| 74529JAL9 | 74529JBL8 | 74529JES0 | 74529JNE1 | 74529JHU2 | 74529JKJ3 | 74529JLP8 | 74529JME2 |
| 74529JAM7 | 74529JAE5 | 74529JFF7 | 74529JGY5 | 74529JNL5 | 74529JKK0 | 74529JLQ6 | 74529JMF9 |
| 74529JAN5 | 74529JDY8 | 74529JFG5 | 74529JGZ2 | 74529JGP4 | 74529JKL8 | 74529JLR4 | 74529JNM3 |
| 74529JAP0 | 74529JDZ5 | 74529JFH3 | 74529JNF8 | 74529JGR0 | 74529JKM6 | 74529JLD5 | 74529JNN1 |
| 74529JAQ8 | 74529JEA9 | 74529JFJ9 | 74529JHB4 | 74529JHY4 | 74529JKN4 | 74529JLE3 | 74529JNP6 |
| 74529JAR6 | 74529JEB7 | 74529JFK6 | 74529JNG6 | 74529JHW8 | 74529JKP9 | 74529JLX1 | 74529JNQ4 |
| 74529JAS4 | 74529JEC5 | 74529JFL4 | 74529JHD0 | 74529JHX6 | 74529JKQ7 | 74529JLY9 | 74529JNR2 |
| 74529JBB0 | 74529JED3 | 74529JFM2 | 74529JHE8 | 74529JGQ2 | 74529JKR5 | 74529JLZ6 | 74529JNS0 |
| 74529JAA3 | 74529JEE1 | 74529JFN0 | 74529JHF5 | 74529JHV0 | 74529JKS3 | 74529JMA0 | 74529JNT8 |
| 74529JBC8 | 74529JEF8 | 74529JFP5 | 74529JHG3 | 74529JJX4 | 74529JKT1 | 74529JMC6 | 74529JPD1 |
| 74529JAB1 | 74529JEG6 | 74529JFQ3 | 74529JHH1 | 74529JJY2 | 74529JKU8 | 74529JMD4 | 74529JPE9 |
| 74529JBD6 | 74529JEH4 | 74529JFR1 | 74529JNH4 | 74529JJZ9 | 74529JKV6 | 74529JMB8 | 74529JPF6 |
| 74529JBE4 | 74529JEJ0 | 74529JFS9 | 74529JNJ0 | 74529JKA2 | 74529JLF0 | 74529JMP7 | 74529JPG4 |
| 74529JAC9 | 74529JEK7 | 74529JFT7 | 74529JHL2 | 74529JKB0 | 74529JLG8 | 74529JMG7 | 74529JPH2 |
| 74529JAD7 | 74529JEL5 | 74529JFU4 | 74529JHM0 | 74529JKC8 | 74529JLH6 | 74529JMH5 | 74529JNW1 |
| 74529JNU5 | 74529JNX9 | 74529JNV3 | 74529JNY7 | 74529JNZ4 | 74529JPA7 | 74529JPB5 | 74529JPC3 |
| 74529JPJ8 | 74529JPK5 | 74529JPL3 |           |           |           |           |           |

<sup>1</sup> No representation is made as to the correctness or accuracy of any CUSIP numbers, which are included solely for the convenience of the Bondowners.

**THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT BONDS. ALL DEPOSITORIES, CUSTODIANS, AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RETRANSMITTAL TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.**

The Bank of New York Mellon (the “Trustee”) serves as trustee under the Amended and Restated Sales Tax Revenue Bond Resolution (as amended and supplemented from time to time, the “Resolution”), adopted on July 13, 2007, by the Puerto Rico Sales Tax Financing Corporation (“COFINA”), pursuant to which COFINA issued the above-referenced senior and subordinate sales tax revenue bonds (the “Bonds”).

### **Title III Proceeding and Interpleader Action**

The Trustee previously advised Bondowners that, on May 5, 2017, The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) filed a petition for relief on behalf of COFINA under title III of the Puerto Rico Oversight, Management, and Economic Stability Act, 48 U.S.C. § 2101 *et seq.* (“PROMESA”), in the United States District Court for the District of Puerto Rico (the “Court”). COFINA’s title III proceeding is being administered jointly on the docket of the United States Bankruptcy Court for the District of Puerto Rico at Case No. 17-BK-03283-LTS.

The Trustee also previously advised Bondowners that, pursuant to the *Order Granting Interpleader, Staying Pending and Future Litigation Against The Bank of New York Mellon, as Trustee, Pursuant to 28 U.S.C. § 2361, and Granting Related Relief* entered by the Court in Adv. Proc. No. 17-AP-00133-LTS (the “Interpleader Action”), the Trustee will not make any payment on the Bonds from the Pledged Sales Tax received by the Trustee until the Court enters a further order directing the timing of distributions and identifying the recipients of such funds.

### **Material Developments**

The Trustee previously advised Bondowners that COFINA was soliciting votes from Bondowners to accept or reject its second amended plan of adjustment and of certain important dates and deadlines with respect to voting on the plan and the confirmation process. The Trustee explained that the plan provides for the adjustment of COFINA’s debts and sets forth the manner in which claims against COFINA, including the claims that the Trustee filed on behalf of itself and the Bondowners for principal, interest, and other amounts due on account of the Bonds and under the Resolution, will be treated. The Trustee also explained that the plan contains certain releases, injunctions, and exculpations relating to COFINA and the Bondowners’ claims.

**Confirmation of Third Amended Plan of Adjustment:** On January 16 and 17, 2019, the Court held an evidentiary hearing to consider confirmation of the *Third Amended Title III Plan of Adjustment of Puerto Rico Sales Tax Financing Corporation* [No. 17-03283-LTS, Doc. No. 4652] (the “Plan”).<sup>2</sup> On February 5, 2019, the Court entered the *Amended Memorandum of*

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<sup>2</sup> Capitalized terms used but not defined in this notice have the meanings given in the Resolution or the Plan, as the context requires.

*Findings of Fact and Conclusions of Law in Connection with Confirmation of the Third Amended Title III Plan of Adjustment of Puerto Rico Sales Tax Financing Corporation* [No. 17-03283-LTS, Doc. No. 5053] (the “Memorandum”) and the *Amended Order and Judgment Confirming the Third Amended Title III Plan of Adjustment of Puerto Rico Sales Tax Financing Corporation* [No. 17-03283-LTS, Doc. No. 5055] (the “Confirmation Order”). Pursuant to the Confirmation Order, the Plan and each of its provisions are confirmed pursuant to section 314(b) of PROMESA.

Copies of the Plan, the Memorandum, and the Confirmation Order may be obtained by contacting COFINA’s claims and noticing agent, Prime Clerk LLC, by telephone at (844) 822-9231 (toll free for U.S. and Puerto Rico) or (646) 486-7944 (for international callers), available 10:00 a.m. to 7:00 p.m. (Atlantic Standard Time) (Spanish available), or by email at [puertoricoballots@primeclerk.com](mailto:puertoricoballots@primeclerk.com), or by accessing either <https://cases.primeclerk.com/puertorico/> or the Court’s website, <https://www.prd.uscourts.gov/>.

**Effective Date:** On February 12, 2019, the Oversight Board notified the Court, creditors, and parties in interest that the Effective Date of the Plan occurred and the Plan was substantially consummated on February 12, 2019. See No. 17-03283-LTS, Doc. No. 5104.

### **Plan Distributions**

Pursuant to section 2.1(c) of the Plan and subject to certain excepted claims referenced therein, the Interpleader Action shall be deemed dismissed, with prejudice, and the funds deposited with the Trustee in connection therewith shall be distributed in accordance with the terms and provisions of the Plan.

Pursuant to section 19.1(a) of the Plan, COFINA, acting as its own Disbursing Agent, shall distribute, or cause to be distributed, to each holder of an Allowed Bond Claim such Creditor’s Pro Rata Share, if any, of Section 103 Cash, COFINA Cash Available for Distribution, Rounding Amount Cash, Taxable Election Cash, Consummation Costs, if applicable, and COFINA Bonds, together with, where applicable, the consideration described in sections 6.1 and 7.1 of the Plan, or, in lieu of all of the foregoing, certificates in the applicable Trust.

Pursuant to section 19.5 of the Plan, COFINA is causing the Trustee to distribute and deliver Cash and COFINA Bonds, as applicable, to Bondowners or the applicable Trust on the Effective Date in accordance with the provisions of the Plan, the Confirmation Order, and the applicable governing documents, and the Trustee is acting in reliance upon the distribution instructions received from COFINA.

The enclosed notice (the “Distribution Notice”) from COFINA’s agent, Prime Clerk LLC (“Prime Clerk”), sets forth information concerning distributions to holders of Bond Claims under the Plan. The Cash and COFINA Bonds being distributed by the Trustee on the Effective Date will be allocated among Bondowners at a rate per \$1,000 of principal amount of Bonds as set forth in the charts attached to the Distribution Notice as Exhibit A and Exhibit B (the “Distribution Allocations”). The Trustee understands that a link to the Distribution Notice, including the Distribution Allocations, has been posted on the following webpage: <https://cases.primeclerk.com/puertorico/>. The Distribution Allocations were determined by

COFINA and Prime Clerk, and the Trustee neither has nor assumes any responsibility for determining the Distribution Allocations.

**Bondowners should direct questions regarding the Distribution Notice and the Distribution Allocations to Prime Clerk by emailing [puertoricoballots@primeclerk.com](mailto:puertoricoballots@primeclerk.com).<sup>3</sup>**

No guidance is being provided in this notice as to the proper characterization of the distribution for tax purposes and whether any particular portion of the distribution should be treated as principal, interest, or otherwise. Bondowners are urged to consult with their tax advisors regarding tax treatment.

**Cancellation of the Indenture and Release and Discharge of the Notes**

As more fully set forth in section 19.6 of the Plan, upon the Effective Date, the Bonds and all instruments and documents related thereto, including, without limitation, the Resolution, are deemed automatically cancelled, terminated, and of no further force or effect against COFINA without any further act or action under any applicable agreement, law, regulation, order, or rule, with COFINA and the Trustee having no continuing obligations or duties and responsibilities thereunder, and the obligations of the parties to COFINA, as applicable, under the Bonds and all instruments and documents related thereto are discharged.

Consistent with section 19.5 of the Plan, the Trustee will close and terminate the original CUSIPs for the Bonds after making the distributions contemplated in this notice and shall have no further distribution obligations thereafter.

**Accordingly, this notice is the final communication Bondowners will receive from the Trustee.**

**Further Information**

Questions concerning this notice may be directed to the Trustee by contacting Mr. Alex Chang at The Bank of New York Mellon, 101 Barclay Street, New York, NY 10286, or by email at [alex.chang@bnymellon.com](mailto:alex.chang@bnymellon.com).

The Trustee may conclude that a specific response to particular inquiries from individual Bondowners is not consistent with equal and full dissemination of significant information to all Bondowners or parties in interest. In such event, the Trustee may decline to provide a response to a particular inquiry when presented in favor of sending a notice to all Bondowners setting forth such specific response.

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<sup>3</sup> To the extent of any discrepancy between this notice and the documents filed with the Court, the filed documents control.

Bondowners should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no legal, investment, accounting, financial, or tax advice as to the above matters or the Bonds generally. Bondowners should consult with their own professionals regarding matters relating to the Bonds.

**THE BANK OF NEW YORK MELLON,**  
as Trustee

**ANNEX A**

**Distribution Notice**

(Attached)

UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT  
BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.<sup>1</sup>

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT  
BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO SALES TAX FINANCING  
CORPORATION,

Debtor.

PROMESA

Title III

No. 17 BK 3284-LTS

**NOTICE OF DISTRIBUTION TO HOLDERS OF THE FOLLOWING:**

| Plan Class | Class Description                      |
|------------|--|
| 1          | Senior COFINA Bond Claims <sup>2</sup> |
| 2          | Senior COFINA Bond Claims (Ambac)      |
| 3          | Senior COFINA Bond Claims (National)   |
| 5          | Junior COFINA Bond Claims              |
| 6          | Junior COFINA Bond Claims (Assured)    |

The *Third Amended Title III Plan of Adjustment of Puerto Rico Sales Tax Financing Corporation, dated January 9, 2019 (Docket Entry No. 439 in Case No. 17-3284)* (as may be amended or modified, the “Plan”) was confirmed by the United States District Court for the District of Puerto Rico on February 4, 2019. The effective date of the Plan is February 12, 2019. As part of the mandatory exchange of the above referenced classes of

<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor’s respective title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

<sup>2</sup> Unless otherwise defined in this Notice, capitalized terms used herein shall have the meanings ascribed to them in the Plan.

securities, holders will receive new securities and/or cash in accordance with the chart set forth on Exhibit A hereto.

This will be the first and final distribution. In addition, the Plan provides that no fractional bonds will be distributed, with fractional bonds rounded up or down to the nearest \$1,000. All Cash (other than Ambac and National Consideration Cash) shall be rounded up or down to the nearest cent (with half-cents rounded down). Ambac and National Consideration Cash shall be rounded down to the nearest cent. DTC is considered a single holder for rounding and distribution purposes and no additional securities or cash will be distributed to DTC or otherwise on account of rounding at the participant or beneficial holder level.

In addition to the mandatory exchanges referenced above, certain holders of the above referenced classes of securities electronically delivered their positions via the Automated Tender Offer Program at DTC and made certain holder specific distribution elections. In connection therewith, DTC is processing such voluntary distributions to each tendered position based on each holder's distribution elections. In connection with this voluntary distribution, holders of the securities referenced on Exhibit B hereto (which have been electronically delivered into the applicable contra cusips) will receive new securities and/or cash in accordance with the chart set forth on Exhibit B hereto. With respect to the voluntary exchange, no fractional bonds will be distributed, with fractional bonds rounded down to the nearest \$1,000. No fractional trust certificates will be allocated, with fractional certificates rounded up or down to the nearest whole dollar (with half-dollars rounded down). Rounding Amount Cash shall be rounded up or down to the nearest cent (with half-cents rounded down). Taxable Election Cash shall be rounded down to the nearest cent (with half-cents rounded down).

If you have any questions, please contact Prime Clerk by emailing [puertoricoballots@primeclerk.com](mailto:puertoricoballots@primeclerk.com).



**Exhibit A**

**Mandatory Exchange Distribution Allocation Information**

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|  |  |
|--|--|

### Mandatory Exchange



[illegible]

**Exhibit B**

**Voluntary Exchange Distribution Allocation Information**



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#### Voluntary Exchange Information

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